

**AGING IN COMMUNITY COMMITTEE
OF THE
COMMISSION ON AGING**

May 14, 2019

9:30-11:30 am

7300 Calhoun Place, Room 6C Rockville, MD

In Attendance: Monica Schaeffer, Nanine Meiklejohn, Mary Sweeney, Richard Jourdenais, Amy Harbison, Marsha Weber, Miriam Kelty, Stephanie Edelstein

Staff: Pazit Aviv, Marcia Pruzan

Guests: Suzanne Ludlow, Isabelle Schoenfeld

Topic	Discussion Points	Decisions/Follow-up
1. Welcome and Introductions <ul style="list-style-type: none"> • Approval of May 14 Minutes 		
2. Presentation on Rent Control/Stabilization by Commissioner Nanine Meiklejohn (COA) and Suzanne Ludlow, Takoma Park City Manager.	Nanine Meiklejohn summarized key points in a fact sheet prepared for the meeting. <ul style="list-style-type: none"> • There is growing interest in rent stabilization around the county as one way to address escalating rents. • Key points about Montgomery County were: <ul style="list-style-type: none"> ○ Over half of renters 65+ are rent burdened; ○ Renting is more common among lower income households; ○ There are only 2,000 MPDU units; 	

- Some tenants at Auden Place, an ethnically diverse building of many long-term renters on Georgia Avenue, have received rent increases of more than 30%.
- Builders are focused on high-end projects and millennials.
- Rent stabilization is more flexible than strict rent control.
 - Certain buildings might be exempt.
 - Some might allow rents to go up when a tenant leaves while others don't.
 - Most have appeals process for landlords.
- The county has a voluntary rent guideline, which is set annually and currently is at 1.5%. Landlords must report their rents annually, but there are flaws with the process.

Suzanne Ludlow gave an overview of the city;

- It is densely populated; most of the housing stock is old; much in need of renovation.
- Half of Takoma Park housing used to be rental and half owned; now 45% is rental.
- Overall housing costs are lower than in other parts of the county, especially those around transit centers.
- It isn't as segregated by income and ethnicity as other parts of the county.

- The rent stabilization program has been in place for over 50 years.
 - It covers all buildings with 2 or more units.
 - It is relatively strict because rents aren't allowed to go up when a unit is vacated; no incentive to evict.
 - Annual rent increases based on 75% of the consumer price index are allowed.
 - Landlords can appeal.
 - About 50% of rental units are rent stabilized.
- Rent stabilization benefits:
 - Many tenants are older and long-term residents.
 - Turnover is low-housing stability
 - Some buildings have a mix of income levels and ages.
 - There's no income rule; average income is around \$85,000 for renters and \$140,000 for homeowners.
 - Compared to other areas of the county, renters have been protected from escalating rents.
- Rent stabilization challenges:
 - Some owners don't budget for large expenses – causes deterioration
 - Keeps property values down – city foregoes property tax revenue
 - Need additional strategies and sources of funding to expand/improve housing stock, including subsidies, non-profit

	and faith based resources, tax credits and the HIF.	
3. Discussion:	<p>There was discussion about:</p> <ul style="list-style-type: none"> • Whether the Takoma Park experience can be replicated in other parts of the county. <ul style="list-style-type: none"> ○ Should rent regulation be used to help hold down rent increases in areas where government policies (such as the Purple Line) will cause rents to escalate? ○ Can it be used countywide? ○ Would it work in individual jurisdictions such as Gaithersburg? • The voluntary county guidelines. 	<ul style="list-style-type: none"> • COA should reach out to the county Department of Housing and Community Affairs (DHCA) to learn more about the voluntary rent increase guidelines; how the county collects information about rent increases; and what data is collected. • COA should consult with other groups and advocates (such as the Renters Alliance) to evaluate additional follow-up activities.
4. New Business		
5. Next Meeting 6- 11-19		